6/7/84 56615-2 A

# OREGON LABOR TRENDS

Prepared by Research and Statistics Section

STATE OF OREGON • EMPLOYMENT DIVISION • DEPARTMENT OF HUMAN RESOURCES

MAY 1984

## APRIL INDICATORS

### UNEMPLOYMENT RATE

| *Oregon* | S.A. | Raw |
|---|---|---|
| Apr. '84 | 9.1 | 10.0 |
| Mar. '84 | 8.8 | 10.4 |
| *U.S.* | | |
| Apr. '84 | 7.8 | 7.6 |
| Mar. '84 | 7.8 | 8.1 |

### WAGE AND SALARY EMPLOYMENT INDEX

*Oregon* 1977=100

| | |
|---|---|
| Apr. 1984: | 105.8 |
| Mar. 1984: | 106.0 |
| Apr. 1983: | 102.4 |
| Apr. 1982: | 103.2 |
| Apr. 1981: | 110.0 |
| Apr. 1980: | 112.2 |

### DIFFUSION INDEX

*Oregon*

| | |
|---|---|
| Apr. 1984: | 64.0 |
| Mar. 1984: | 65.9 |
| Feb. 1984: | 62.8 |
| Jan. 1984: | 59.3 |
| Dec. 1983: | 58.1 |

### PRODUCTION WORKER AVERAGE WEEKLY HOURS

*Oregon*

| | |
|---|---|
| Mar. 1984: | 39.4 |
| Feb. 1984: | 38.7 |
| Mar. 1983: | 38.6 |

### CONSUMER PRICE INDEX (CPI)

1967=100
ALL URBAN CONSUMERS

| *Portland SMSA* | |
|---|---|
| Mar. 1984 | 298.0 |
| Year Change | + 4.7% |
| *U.S.* | |
| Apr. 1984 | 308.8 |
| Year Change | + 4.5% |

Portland Hotline 221-4132

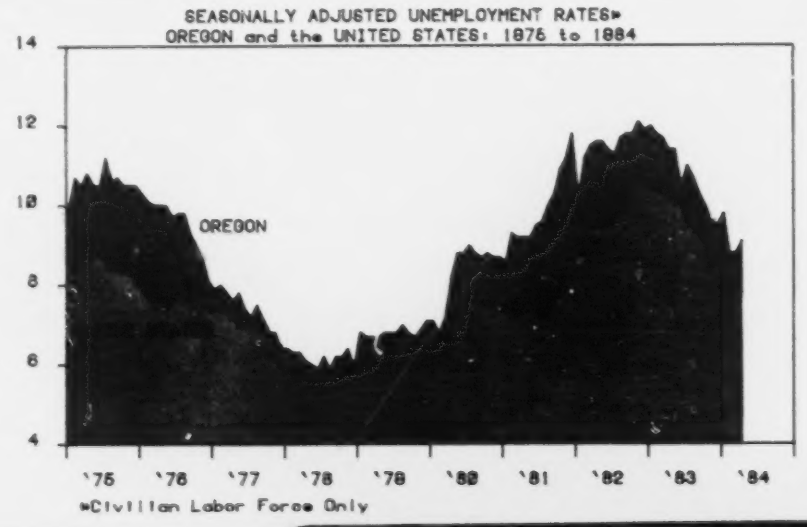
## MONTHLY ECONOMIC ANALYSIS

*Jeff Hannum*

Oregon's economic recovery lost a little more momentum in April as weak employment patterns in many nonmanufacturing industries overshadowed continued strength in Durable Goods manufacturing. As a result all three of Oregon's key labor market indicators retreated in April.

Total unemployment dropped by 4,300, half the normal improvement expected in April, pushing Oregon's seasonally adjusted unemployment rate up by three tenths of a point to 9.1% in April. The only good news that could be gleaned from this was that March's jobless rate of 8.8% was revised downward from the 9.2% preliminary estimate announced a month ago. However, with interest rates rising again and wood products markets slumping since March, further declines in Oregon's seasonally adjusted unemployment rate will be much harder to achieve in the months ahead. For this to occur will require above normal employment gains so that new workers entering the labor force as well as many current unemployed can find suitable work.

Unfortunately, this is not what happened in April. Nonfarm wage and salary employment did manage to rise by 4,300 over the month, but this gain fell 2,200 short of the seasonal norm. As a result the Wage and Salary Employment Index slipped by 0.2 point to 105.8 in April. Nonfarm payroll employment continued to exceed one year ago, but the amount of improvement from year to year narrowed to 31,600 in April compared to nearly 40,000 in March.

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## RESIDENT OREGON LABOR FORCE

| | Apr. 1984 1/ | Mar. 1984 2/ | Change | % Change | Apr. 1983 5/ |
|---|---|---|---|---|---|
| Civilian Labor Force 3/ | 1,307,300 | 1,297,900 | 9,400 | 0.7 | 1,330,900 |
| Unemployment | 130,400 | 134,700 | - 4,300 | -3.2 | 159,300 |
| Percent of Labor Force | 10.0 | 10.4 | xxx | xxx | 12.0 |
| Seasonally Adjusted Percent | 9.1 | 8.8 | xxx | xxx | 11.4 |
| Total Employment 4/ | 1,176,900 | 1,163,200 | 13,700 | 1.2 | 1,171,600 |

1/ Preliminary. 2/ Revised. 3/ Includes employed and unemployed individuals 16 years and older. Data are adjusted for multiple job-holding and commuting. 4/ Includes nonagricultural wage and salary, self-employed, unpaid family workers, domestics, farm workers, and labor disputants. 5/ Due to revised estimating procedures between December 1983 and January 1984, data for 1984 and that of previous years are not strictly comparable.

## NONAGRICULTURAL WAGE & SALARY EMPLOYMENT
(By Place of Work)

| INDUSTRY | Apr. 1984 1/ | Mar. 1984 2/ | Apr. 1983 | Change From Mar. 1984 | Change From Apr. 1983 |
|---|---|---|---|---|---|
| TOTAL 3/ | 984,200 | 979,900 | 952,600 | 4,300 | 31,600 |
| Wage & Salary Employment Index 4/ | 105.8 | 106.0 | 102.4 | xxx | xxx |
| Diffusion Index 5/ | 64.0 | 65.9 | 55.1 | xxx | xxx |
| Total Manufacturing | 193,900 | 191,600 | 179,500 | 2,300 | 14,400 |
| Durable Goods | 142,800 | 140,500 | 129,800 | 2,300 | 13,000 |
| Lumber & Wood Products | 65,300 | 64,400 | 58,800 | 900 | 6,500 |
| Logging & Sawmills | 33,300 | 32,800 | 30,200 | 500 | 3,100 |
| Veneer & Plywood | 17,800 | 17,600 | 17,300 | 200 | 500 |
| Millwork & Structural Wood | 8,600 | 8,400 | 6,700 | 200 | 1,900 |
| Mobile Homes | 1,700 | 1,700 | 1,400 | 0 | 300 |
| Other Wood Products | 3,900 | 3,900 | 3,200 | 0 | 700 |
| Furniture & Fixtures | 2,300 | 2,300 | 2,400 | 0 | - 100 |
| Stone, Clay, Glass, & Concrete | 3,000 | 3,000 | 2,900 | 0 | 100 |
| Primary Metals | 8,700 | 8,600 | 7,200 | 100 | 1,500 |
| Blast Furnaces, Iron & Steel | 4,700 | 4,600 | 3,900 | 100 | 800 |
| Nonferrous Metals | 4,000 | 4,000 | 3,300 | 0 | 700 |
| Fabricated Metals | 9,900 | 9,800 | 8,700 | 100 | 1,200 |
| Fabricated Structural Metals | 4,400 | 4,400 | 3,700 | 0 | 700 |
| Other Fabricated Metals | 5,500 | 5,400 | 5,000 | 100 | 500 |
| Machinery | 15,700 | 15,500 | 15,100 | 200 | 600 |
| Electrical Equipment & Supplies | 11,900 | 11,700 | 10,200 | 200 | 1,700 |
| Transportation Equipment | 9,000 | 8,200 | 7,100 | 800 | 1,900 |
| Instruments & Related Products | 14,500 | 14,500 | 15,200 | 0 | - 700 |
| Miscellaneous Manufacturing | 2,500 | 2,500 | 2,200 | 0 | 300 |
| Nondurable Goods | 51,100 | 51,100 | 49,700 | 0 | 1,400 |
| Food & Kindred Products | 20,700 | 20,700 | 20,900 | 0 | - 200 |
| Canning & Preserving | 11,000 | 10,900 | 11,300 | 100 | - 300 |
| Other Food Products | 9,700 | 9,800 | 9,600 | - 100 | 100 |
| Textile Mill Products | 1,800 | 1,800 | 1,600 | 0 | 200 |
| Apparel | 2,700 | 2,700 | 2,500 | 0 | 200 |
| Paper & Allied Products | 9,200 | 9,300 | 9,200 | - 100 | 0 |
| Printing & Publishing | 10,700 | 10,600 | 10,100 | 100 | 600 |
| Chemicals & Allied Products | 2,200 | 2,200 | 2,100 | 0 | 100 |
| Petroleum Refining | 600 | 600 | 500 | 0 | 100 |
| Rubber & Plastic Products | 2,700 | 2,700 | 2,400 | 0 | 300 |
| Leather Products | 500 | 500 | 400 | 0 | 100 |

NONAGRICULTURAL WAGE & SALARY EMPLOYMENT
(By Place of Work)

| INDUSTRY | Apr. 1984 | Mar. 1984 | Apr. 1983 | Change From Mar. 1984 | Change From Apr. 1983 |
|---|---|---|---|---|---|
| (cont.) | | | | | |
| Total Nonmanufacturing | 790,300 | 788,300 | 773,100 | 2,000 | 17,200 |
| Mining & Quarrying | 1,700 | 1,700 | 1,400 | 0 | 300 |
| Construction | 23,900 | 23,300 | 23,900 | 600 | 0 |
| Transportation, Communications, & Utilities | 55,800 | 55,800 | 54,700 | 0 | 1,100 |
| Transportation | 33,100 | 32,700 | 30,800 | 400 | 2,300 |
| Railroad | 5,600 | 5,400 | 5,400 | 200 | 200 |
| Trucking & Warehousing | 17,000 | 16,800 | 15,600 | 200 | 1,400 |
| Other Transportation | 10,500 | 10,500 | 9,800 | 0 | 700 |
| Communications | 14,400 | 14,800 | 15,100 | - 400 | - 700 |
| Utilities | 8,300 | 8,300 | 8,800 | 0 | - 500 |
| Trade | 247,000 | 244,700 | 236,300 | 2,300 | 10,700 |
| Wholesale Trade | 62,900 | 62,600 | 60,700 | 300 | 2,200 |
| Durable Goods | 37,200 | 37,000 | 36,100 | 200 | 1,100 |
| Nondurable Goods | 25,700 | 25,600 | 24,600 | 100 | 1,100 |
| Retail Trade | 184,100 | 182,100 | 175,600 | 2,000 | 8,500 |
| General Merchandise | 23,700 | 23,800 | 22,900 | - 100 | 800 |
| Food Stores | 28,700 | 28,100 | 27,200 | 600 | 1,500 |
| Auto Dealers & Service Stations | 23,300 | 23,200 | 21,300 | 100 | 2,000 |
| Other Retail Trade | 108,400 | 107,000 | 104,200 | 1,400 | 4,200 |
| Finance, Insurance, & Real Estate | 65,600 | 65,700 | 64,100 | - 100 | 1,500 |
| Banking & Credit Agencies | 23,400 | 23,400 | 23,300 | 0 | 100 |
| Other Finance, Insurance, & Real Estate | 42,200 | 42,300 | 40,800 | - 100 | 1,400 |
| Services | 198,100 | 197,800 | 194,500 | 300 | 3,600 |
| Hotels & Personal Services | 23,100 | 23,200 | 23,500 | - 100 | - 400 |
| Health Services | 67,600 | 67,700 | 66,300 | - 100 | 1,300 |
| Other Services | 107,400 | 106,900 | 104,700 | 500 | 2,700 |
| Government | 198,200 | 199,300 | 198,200 | -1,100 | 0 |
| Federal Government | 28,800 | 28,800 | 28,300 | 0 | 500 |
| State Government | 52,900 | 53,200 | 52,600 | - 300 | 300 |
| Education | 22,900 | 23,400 | 22,600 | - 500 | 300 |
| Other State | 30,000 | 29,800 | 30,000 | 200 | 0 |
| Local Government | 116,500 | 117,300 | 117,300 | - 800 | - 800 |
| Education | 75,300 | 76,200 | 75,500 | - 900 | - 200 |
| Other Local | 41,200 | 41,100 | 41,800 | 100 | - 600 |
| Labor-Management Disputes | 900 | 900 | 200 | 0 | 700 |

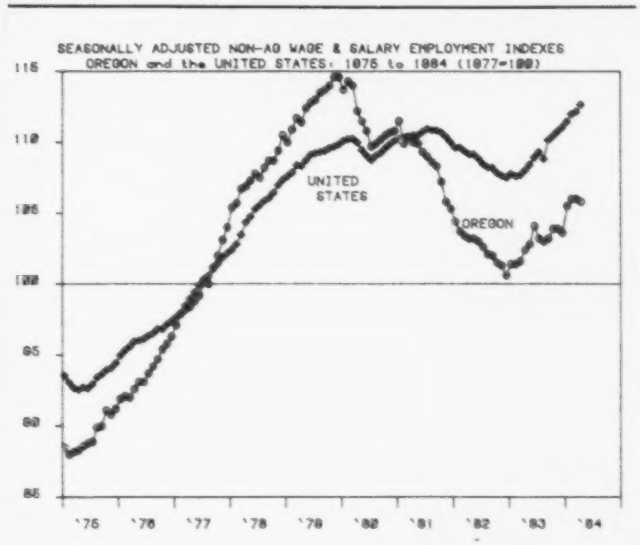
1/ Preliminary

2/ Revised

3/ Includes full and part-time nonfarm wage and salary workers in pay periods including the 12th of the month. Proprietors, self-employed, private household workers and armed forces excluded. NOTE: Estimated in cooperation with the U.S. Bureau of Labor Statistics and Employment and Training Administration. All data are based on the 1972 Standard Industrial Classification (SIC) codes as amended by the 1977 supplement.

4/ Total nonagricultural wage and salary employment, seasonally adjusted, and indexed to 1977. Data on the earlier index (1972 = 100) can be converted to the 1977 base period by multiplying by a factor of .8264, the ratio between 1972's annual average employment (774,300) and that of 1977 (936,900).

5/ The diffusion index is the percentage of a selected group of 43 industries showing an increase in seasonally adjusted employment. Half of those industries showing no significant change (less than 1/2 of 1%) are counted as increasing.




A third major indicator - the Oregon Diffusion Index - remained at a high 64.0 level in April, but this too represented some weakening from the 65.9 mark reached in March. The Diffusion Index represents the percentage of a selected group of industries showing increases in seasonally adjusted employment, and tends to foreshadow the future course of the economy.

While Oregon's economic recovery showed further signs of a "pause" in April, the U.S. economy seemed to be pulling out of its brief stall. Although the nation's unemployment rate remained stuck at the 7.8% mark for the third straight month, other economic indicators were continuing to show strength.

For example:

- total employment reached a record high in April and nonfarm payroll employment jumped also. Gains in both cases exceeded seasonal expectations. The jobless rate would have improved too had it not been for a surge of new workers into the labor force, many of them women.

- the number of hours logged by the average worker plus the average factory workweek both rose in April. The latter increase raised the factory workweek to 41.2 hours - the highest level in nearly two decades. It appears that many employers are using overtime to keep up with the increase in orders. If the business trend continues strong it should translate into more hiring down the road.

- U.S. industrial production jumped 1.4% in April reflecting business inventory building, still strong consumer spending, and rising demand for capital equipment. It was the 17th consecutive monthly increase for this indicator. Further gains are expected in coming months as capital spending provides an even stronger boost to the economy. A recent McGraw-Hill survey indicates that industry plans to increase capital spending in 1984 by nearly 17%. This is almost double the rate of increase the same companies planned last November.

- retail sales jumped 2.9% in April mainly on the strength of auto sales after falling 2.0% in March. Although consumer spending is expected to moderate as the recovery progresses, it is still very strong. A recent study by the University of Michigan put consumer confidence at its highest level in 18 years!

- although interest rates are on the rise again, housing starts in the nation bounced back strongly in April, reaching an annual rate of nearly 2.0 million units. Over the past two months starts had ranged from a high of 2.2 million units annual rate in February to 1.65 million in March as bad weather and rising interest rates took their toll.

April's surprisingly strong housing report is good news for Oregon's slumping wood products industry. Although Lumber and Wood Products somehow managed a normal seasonal increase of 900 jobs in April, there have been some recent mill closures and announcements of upcoming closures due to deteriorating market conditions. Prices for lumber and plywood have declined sharply since March as optimism earlier this year pushed production beyond what the market would absorb. Rising interest rates plus March's sharp drop in housing starts caused inventories to back up all along the line. Even with April's good housing report, the outlook for Lumber and Plywood employment this summer is uncertain.

Uncertainty is not the case in most Other Durable Goods manufacturing industries however, where positive signs continued to surface in April. Other Durable Goods manufacturing has been chalking up strong gains in seasonally adjusted employment for several months. April was no exception. Employment in this sector jumped by 1,400 last month, or a gain of 1,500 after seasonal adjustment. Metals, Machinery, Electrical and Transportation Equipment all continued to expand. The largest job gain (+800) came in Transportation Equipment reflecting additional ship repair contracts and further growth in recreational vehicle manufacturing. The

Nondurable Goods manufacturing sector was generally stable in April except for a decline in seafood processing activity.

Although the nonmanufacturing sector added 2,000 jobs in April, this was only about a third of the normal increase. Seasonally adjusted employment fell in every one of the major industry categories except Construction (+600) where several commercial projects around the state plus continued strong activity on highway and bridge projects boosted employment in the Heavy Construction sector. Residential construction activity remained dormant in April.

The weakest employment trend last month came in Government where employment fell 1,100, a seasonally adjusted drop of 2,200. Layoffs were confined to State and Local Education reflecting continued funding problems and the end of the flu season. During February and March employment levels in the schools were boosted by the hiring of substitute teachers. In April the flu epidemic was largely past, reducing the need for these temporary staff.

Trade employment registered the largest gain of any sector in April rising by 2,300. Although this fell a little short of the normal seasonal increase, consumer spending remains strong, especially for new autos.

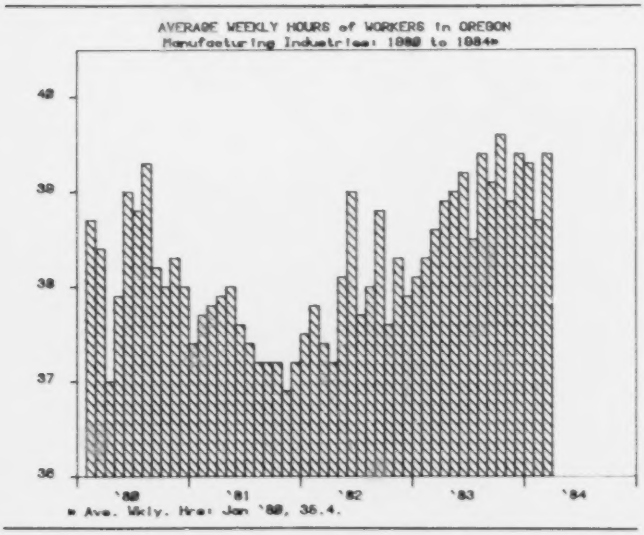
In summary, Oregon's economy lost a little more than it gained in April, but the recovery is still basically on track. As long as interest rates do not rise further, the employment situation should continue to gradually improve, especially in the basic manufacturing industries closely tied to capital spending. While 1983 was the year Lumber and Wood Products made its major turnaround, 1984 looks like the big year for Other Durable Goods manufacturing.□

## HOURS & EARNINGS – FACTORY WORK WEEK RISES

*Gary Barker*

March's production worker statistics looked good generally. Though the hourly earnings average came down 13¢ over the month, gains in the workweek average more than compensated for the decline as evidenced by the rise (+$2.23) in the weekly earnings average.

The workweek average, most often a good precursor of future economic performance, rose sharply (+0.7) to 39.4 in March. While that is a significant gain and is the highest March workweek average shown in ten years, it should not be read as a singular statement or comment that the economy has suddenly taken a turn for the better. Rather, it is indicative of a continuation of the upbeat performance started many months ago. For almost two years now, the comparison of manufacturing weekly hours to a like figure from a year earlier has shown a gain.




The March workweek showed gains of about equal proportions in both the Durable and Nondurable Goods sectors. The driving force behind the durable goods increase was Lumber and Wood Products where virtually all components displayed increased activity. Despite a miserable month weather-wise, the state's forest products sector trudged along with additional hiring and expanded overtime hours. Reasonably stable prices coupled with optimism about the future kept production activity on a high plain.

In Nondurable Goods hours were up generally in March, too, with one notable exception. Dipping from 34.3 in Feburary to 34.0 in March, Canning and Preserving tended to moderate some of the gains reported elsewhere. During this, the off season, most of the canning and preserving work is now in repackaging or maintenance/repair in preparation for the next season - activities that can be scheduled in advance and with a lower level of hours.

Manufacturing average hourly earnings dropped a couple of notches from the all time high of $10.51 shown in the revised estimates for February. Just opposite to the workweek trend, average hourly earnings were down in both Durable and Nondurable Goods. Though a portion of the change can be attributed to the hiring of additional workers at lower pay scales, much of the lower earnings figure is the result of fluctuations in components that are not published separately on a month to month basis, specifically Transportation Equipment. By the nature of much of the activity (e.g. ship repair), a major portion of the work done in Transportation Equipment is accomplished via contract. The result is fairly wide swings in earnings levels in the industry.

The workweek in Construction was unchanged over the month at 32.5 and is 1.3 hours above last March's 31.5. As a reflection of the plight of construction however, both the current month and year ago workweek averages in Construction are below any previous March workweek on record. Hourly earnings ($14.61 in March '84 and $16.24 a year earlier), also point to an industry struggling to break from the grips of the recession.□

AVERAGE HOURS AND EARNINGS OF OREGON INDUSTRIAL PRODUCTION WORKERS 1/

| | Average Weekly Earnings | | | Average Weekly Hours | | | Average Hourly Earnings | | |
|---|---|---|---|---|---|---|---|---|---|
| | Mar.2/ 1984 | Feb.3/ 1984 | Mar. 1983 | Mar.2/ 1984 | Feb.3/ 1984 | Mar. 1983 | Mar.2/ 1984 | Feb.3/ 1984 | Mar. 1983 |
| TOTAL MANUFACTURING 4/ | $408.97 | $406.74 | $399.12 | 39.4 | 38.7 | 38.6 | $10.38 | $10.51 | $10.34 |
| Durable Goods | 417.35 | 414.85 | 412.91 | 39.9 | 39.1 | 39.4 | 10.46 | 10.61 | 10.48 |
| Lumber & Wood Products | 432.63 | 421.68 | 429.32 | 39.8 | 38.9 | 39.9 | 10.87 | 10.84 | 10.76 |
| Logging & Sawmills | 459.76 | 451.21 | 458.05 | 39.6 | 39.1 | 39.9 | 11.61 | 11.54 | 11.48 |
| Veneer & Plywood | 442.54 | 431.24 | 430.52 | 40.6 | 39.6 | 40.5 | 10.90 | 10.89 | 10.63 |
| Millwork & Struct Wood | 334.38 | 318.57 | 318.01 | 39.2 | 37.7 | 38.5 | 8.53 | 8.45 | 8.26 |
| Mobile Homes | 274.22 | 253.56 | 322.81 | 34.8 | 32.3 | 40.1 | 7.88 | 7.85 | 8.05 |
| Other Wood Products | 444.17 | 430.95 | 403.51 | 40.9 | 39.5 | 39.1 | 10.86 | 10.91 | 10.32 |
| Furniture & Fixtures | 266.69 | 265.44 | 249.55 | 34.5 | 33.9 | 35.0 | 7.73 | 7.83 | 7.13 |
| Primary Metals | 494.47 | 489.14 | 499.89 | 42.7 | 41.7 | 39.8 | 11.58 | 11.73 | 12.56 |
| Fabricated Metals | 373.74 | 380.16 | 380.00 | 37.6 | 38.4 | 38.5 | 9.94 | 9.90 | 9.87 |
| Machinery | 409.82 | 411.46 | 400.93 | 40.1 | 40.3 | 37.4 | 10.22 | 10.21 | 10.72 |
| Nondurable Goods | 383.55 | 379.07 | 361.82 | 37.9 | 37.2 | 36.4 | 10.12 | 10.19 | 9.94 |
| Food & Kindred Products | 304.59 | 319.87 | 289.78 | 35.5 | 35.9 | 33.5 | 8.58 | 8.91 | 8.65 |
| Canning & Preserving | 247.52 | 265.14 | 219.51 | 34.0 | 34.3 | 30.7 | 7.28 | 7.73 | 7.15 |
| Other Food Products | 391.61 | 395.20 | 396.14 | 37.8 | 38.0 | 37.8 | 10.36 | 10.40 | 10.48 |
| Textile Mill Products | 225.62 | 225.51 | 218.96 | 38.7 | 37.9 | 36.8 | 5.83 | 5.95 | 5.95 |
| Apparel | 211.91 | 207.10 | 192.74 | 38.6 | 38.0 | 35.3 | 5.49 | 5.45 | 5.46 |
| Paper & Allied Products | 570.35 | 559.06 | 542.15 | 41.3 | 40.6 | 41.8 | 13.81 | 13.77 | 12.97 |
| Printing & Publishing | 453.53 | 402.60 | 413.35 | 38.5 | 35.1 | 36.1 | 11.78 | 11.47 | 11.45 |
| Construction 4/ | 474.83 | 477.10 | 506.69 | 32.5 | 32.5 | 31.2 | 14.61 | 14.68 | 16.24 |
| Communications & Utilities 5/ | 477.63 | 481.38 | 446.20 | 38.8 | 39.2 | 38.8 | 12.31 | 12.28 | 11.50 |
| Trade 5/ | 282.07 | 279.89 | 272.97 | 33.5 | 33.4 | 33.7 | 8.42 | 8.38 | 8.10 |
| Wholesale Trade | 379.34 | 372.74 | 361.35 | 37.3 | 37.2 | 37.1 | 10.17 | 10.02 | 9.74 |
| Retail Trade | 234.47 | 234.68 | 229.19 | 31.6 | 31.5 | 32.1 | 7.42 | 7.45 | 7.14 |
| Banking & Insurance | 272.70 | 267.09 | 264.29 | | | | | | |
| State & Local Government | 317.32 | 317.80 | 301.19 | | | | | | |

1/ Figures are average gross hours and earnings of full and part-time worked or paid for, including overtime and shift premium pay. Prepared in cooperation with the U.S. Department of Labor. All data are based on the 1972 Standard Industrial Classification (SIC) codes.
2/ Preliminary
3/ Revised
4/ Data for production workers only and exclude administrative, supervisory (above working foremen), technical, sales and office personnel.
5/ Data for nonsupervisory employes only, excluding proprietors and executive personnel. Data for retail trade excludes eating and drinking places.

## HOW TO USE THE STATE EMPLOYMENT SERVICE

*Yvonne Harris*

(Editors Note: The following article appeared in the May, 1984 issue of Oregon Business magazine and is reprinted here with permission granted by Oregon Business magazine).

Did you hear about the company that advertised recently for 30 apprenticeship positions and had over 3,000 persons apply? Some of the applicants camped out all night, and lines five abreast stretched over two blocks long.

When you must fill a job, what do you do? Place a help-wanted ad? Tell your other employees? Hire a sky-writer? Call the state Employment Division?

All of the above can be effective. But two cost money and two do not. Like everything else, charges for newspaper advertising have risen steadily. The results of a carefully worded want ad will bring you telephone calls and resumes. It may also bring you walk-in applicants by the dozen. A phone call to the state Employment Division will bring you pre-screened applicants (with or without resumes) by appointment only and no walk-ins. Either approach can solve a hiring crisis. The latter, however, comes without a price tag.

If what you're really after is four or five good applicants to choose from, then perhaps you don't need the "mega-results" of a classified ad. Calling the state will save you time as well as money. The agency has scores of experienced applicants already subdivided into occupations and abilities, people either presently unemployed or laid off, or people simply looking for a better job. Since you've already paid for their services with your tax dollars, there is no charge, of course.

Briefly, by way of background, the state Employment Division - or Job Services, as it is more commonly known in other parts of the country - is the nationwide labor exchange system for the United States. It was initiated by the Wagner-Peyser Act of 1933 to help workers in the Great Depression. Although it is funded primarily by the federal government, each individual state's Department of Labor operates its own division for the purpose of providing free employment services and information to state residents, employers and workers alike. Its intent is to bring together people looking for work and employers with jobs to be filled. Ideally, when used in conjunction with advertising (even the state advertises some of its listings), both employers and job seekers gain greater exposure to each other.

For an individual, the state Employment Division can function much like an employment agency, trying to match an applicant's skills and experience with available jobs in the area and arranging for referrals. Counseling and testing services and programs coaching job applicants on proper dress, interview behavior, and job-finding techniques are offered at no cost.

Business and industry receive special services such as employment testing, in-house job surveys, area salary comparisons, job-description writing, etc. Information and assistance with any labor-related problem is provided on request. It is, in all respects, a service, offered at no cost, an effective tool for employers to be used as an adjunct to company personnel departments.

You will find that the referrals you receive from the state have the same mixture of characteristics and talents as those who find their way by other means, with an important difference: people with gumption enough to register for work with the state in addition to watching the want ads are serious about finding a job.

The suggestions that follow are the result of my experience using a state job services agency on almost a daily basis. They are the "tricks of the trade" that may be useful to you when dealing with the state Employment Division.

(Editor's Note: While the author's experience has been with state employment offices in another state, Oregon Employment Division officials reviewed this story and found it to be an accurate description of the state's employment service.)

## WORKING THE SYSTEM

It helps to know that the individual job services agencies throughout a state receive their funding based on various criteria. One significant factor in their allocations is whether or not they meet certain assigned quotas. These quotas include: the number of job orders received from employers in their area; the number of new applicants interviewed; and the number of applicants actually placed in jobs.

Within each agency, these quotas are further broken down into assignments to each interviewer. For instance, this month one agency's quota might be 60 placements divided among six workers, or 10 placements each. Records are scrupulously kept and submitted to the main office at the state capitol. The next time budgets are reviewed or staffing cuts contemplated, the numbers - quotas met or not met - are considered. Each agency must be concerned with the numbers. That's important for you to know.

## INTERVIEWERS ARE NOT ALL ALIKE

Most job openings, or job orders, are received from employers who call their vacancies in directly to the agency. Others are obtained by interviewers telephoning local companies or visiting area businesses in their territory to inquire about possible openings.

Some of these interviewers are amazingly good and screen their applicants carefully, seeking to match the worker's skills to an employer's stated requirements. The good ones rifle in narrowly, and they are usually the most successful. Other interviewers, not as careful, use the shotgun approach; and these are the ones who frustrate an employer by sending unqualified applicants who waste his time. These "warm body" referrals can be stopped quickly if you will call the interviewer responsible and speak frankly about what you want or do not want. If it continues, talk to the manager of the agency. Since employers are the agency's lifeblood, the very last thing an interviewer - or the manager - wants is to alienate an employer.

The most important factor in dealing successfully with the Employment Division, particularly in the urban areas, is your relationship with the interviewers. Get to know these people. If you are new to the agency (or renewing an old connection), go to the office yourself and speak directly with the manager. Explain your requirements and ask for one of his best interviewers. If you like the one he selects and the chemistry seems right, stick with him. If not, then pick another yourself. This is an area in which you definitely have the upper hand. You decide who you will give your job listings to. Since new job orders acquired are tracked by individual interviewers, they are much desired.

Good rapport between the employer and an interviewer is absolutely vital; it is a symbiotic relationship with a capital "S".

Invite your Employment Division representative out to visit your company, show him or her around, let him get the feel of the place, appreciating your special needs and the type of employes you want to hire. Introduce him to some of your people. Give him coffee. Buy him lunch. Be nice to him! Remember, he has the capability to save your company many dollars by referring qualified job applicants.

## PLACING A JOB ORDER

When you have a position to be filled, call your favorite interviewer and give the details of the job: the title, duties, hours, rate of pay, benefits, experience required, educational qualifications, and the number of applicants you are willing to interview for the opening. The usual number is three or four, but this is your decision. These details are noted on the order and are made part of the employer's requirements for the job. The order is then processed and will be made available to all other Employment Division offices.

Occasionally you'll know of an impending opening in your company but do not want to list the job with the agency immediately. You can alert your interviewer to keep an eye out for a good candidate and let you know.

INTERVIEWING APPLICANTS

1. When the calls for referrals begin to come, keep track of the applicants and the interviewer and the agency office that sent them. If you are close to a large city, you may get calls from three or four different offices, and you will want to keep records for comparison. Note the qualifications of the people sent and whether or not they meet your requirements. If they were well-screened and suitable, jot down that interviewer's name and phone number and start to compile a list of good interviewers to contact for future openings.

2. Don't talk on the telephone directly to the applicant. Save that for the interview if you decide to see him. This initial contact for an appointment is an opportunity for you to question the interviewer about the worker's background and qualifications that you consider important for the job. Based on the answers you receive, you may decide not to grant the interview.

3. Insist on seeing applicants by appointment only. This is a double advantage. First, it gives you a chance to quiz the interviewer about the prospective applicant because it requires a confirmation from you. Second, it will prevent a flock of walk-ins who might have been told you are hiring.

4. An applicant brings to the interview an appointment card listing his name, the interviewer who sent him, telephone number, appointment time and date, etc. You should check the appropriate box and return the postage-paid card to the agency at the conclusion of the interview. Aside from a personal telephone call to you, the interviewer responsible has no way of knowing whether or not his referral got the job. You can eliminate inquiring phone calls if you remember to send the cards back.

5. Each time you interview for a job, it is noted on the back of the job order at the agency or logged in the computer. In this way, you should not receive more referrals for that job once the number of applicants you initially agreed to see when you listed the order has been reached. Once in a while, a job is filled but never gets cancelled. You can help end the nuisance of calls weeks later for that position if you will telephone a cancellation yourself.

6. When you have a number of job openings, call more than one of your good contacts. Remember that they get credit for a new order taken. So, if you have 10 openings, you can call two or three of your contacts and spread the orders around. If you are placing a single order with one Employment Division office, however, you can call other offices in your area, not to list again but to let them know you are looking for workers. You'll get broader exposure this way because more interviewers will know sooner about your opening. Be sure to do this if you have a job you must fill in a hurry.

KEEP THE FAITH

Although I have hired over 100 employes this past year, I haven't spent more than $50 in advertising. On several occasions, I got nervous about an unfilled job. In all but one case, the state came through at the last minute, and I chose their applicant over the newspaper respondents anyway. I should have saved my money.

The secret to a successful partnership with your state Employment Agency is to remember that agency's preoccupation with figures. Since the interviewer's job is finding jobs for other people, those quotas are a means of measuring his effectiveness. Raises, promotion, and upgrades may depend on his reaching certain targeted goals.

The Employment Division may not be the only answer to all of your staffing problems; there's no such thing, of course. However, it is a valuable resource that thoughtful employers can use to their advantage. □


## OREGON LABOR TRENDS

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